

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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THE ESTATE OF BURNE HOGARTH; BURNE :
HOGARTH DYNAMIC MEDIA WORLDWIDE LLC; :
MICHAEL HOGARTH; RICHARD HOGARTH; and : 00 CIV. 9569 (DLC)
ROSS HOGARTH, as the children of :
deceased author Burne Hogarth, : OPINION AND ORDER
Plaintiffs, :
:
-v- :
:
EDGAR RICE BURROUGHS, INC., :
Defendant. :
:
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APPEARANCES:

For Plaintiffs:
James H. Neale
Henry G. Burnett
Owen & Davis PC
805 Third Avenue, 14th Floor
New York, NY 10022-7513

For Defendant:
Roger L. Zissu
Fross Zelnick Lehrman & Zissu, P.C.
866 United Nations Plaza
New York, NY 10017

DENISE COTE, District Judge:

Plaintiffs, The Estate of Burne Hogarth ("Hogarth Estate"),
Burne Hogarth Dynamic Media Worldwide LLC, Michael Hogarth,
Richard Hogarth, and Ross Hogarth, filed this action on December
15, 2000; they filed an amended complaint on January 26, 2001.
Plaintiffs seek a declaration that two books published in the
1970s are not "works made for hire" and that they are the sole
owners and copyright proprietors of the copyright renewal term in
the books. Prior to the conduct of discovery, defendant moves
for summary judgment and plaintiffs move to disqualify

defendant's counsel. Both motions are denied.

BACKGROUND

Plaintiffs are the children, the estate, and the estate administrator of Burne Hogarth ("Hogarth"). Hogarth was the illustrator of the syndicated comic strip "Tarzan" from approximately 1937 through 1950. Edgar Rice Burroughs was the author of the 1912 book "Tarzan of the Apes" and subsequent Tarzan stories. Defendant Edgar Rice Burroughs, Inc. ("Burroughs") is the California corporation established by Edgar Rice Burroughs to manage the business of licensing the rights in his literary creations. Edgar Rice Burroughs died in 1950, and Burroughs is owned by his descendants. Burroughs owns the copyright and trademark rights to exploit the Tarzan character in all media.

On November 16, 1970, Hogarth and Burroughs entered into an agreement under which Hogarth would create a pictorial Tarzan book based upon approximately one-half of Burroughs' 1912 book "Tarzan of the Apes." On August 25, 1972, Burroughs entered a separate publishing agreement with Watson-Guptill; Burroughs granted Watson-Guptill the right to publish the first pictorial Tarzan book and an option to publish the next in a contemplated Tarzan book series. Pursuant to the agreement, Hogarth illustrated two books, "Tarzan of the Apes," published in 1972, and "Jungle Tales of Tarzan," published in 1976 (hereinafter, the "Books"). Each Book has a lengthy introduction devoted to Hogarth's life and his art, as well as a separate illustrated

Tarzan story.

As the publisher, Watson-Guptill applied for copyright registrations for the Books. On June 15, 1973, Watson-Guptill filed an application in the United States Copyright Office for registration of a copyright in the 1972 "Tarzan of the Apes." The 1973 application included the names Edgar Rice Burroughs (deceased) and Hogarth in the area designated for listing the authors of the Book, which it described as "Burne Hogarth's pictorial version of Edgar Rice Burroughs' novel." Based upon this application, the Copyright Office issued Registration No. A442848 to Burroughs. On October 8, 1976, Watson-Guptill filed an application for registration of a copyright in the 1976 "Jungle Tales of Tarzan." The 1976 application listed only Hogarth as the author. Based upon this application, the Copyright Office issued Registration No. A789026 to Burroughs. Burroughs' officer Marion Burroughs corrected the 1976 registration in 1979, by adding "Edgar Rice Burroughs" as the author of the original text. She did not, however, remove the registration's listing of Hogarth as an author. Hogarth died in 1996.

In 1994, Burroughs entered into licensing agreements with The Walt Disney Company ("Disney") for an animated feature-length Tarzan movie. The movie was distributed in June 1999. By letter dated September 8, 1999, the Hogarth Estate's attorney, Barbara Hoffman, wrote Disney a letter, which stated that the Hogarth Estate believed that Disney had "unlawfully appropriated and

infringed its intellectual property and artistic rights in connection with the recently released animated feature film entitled *Disney's Tarzan*." The Hogarth Estate demanded that Disney "cease and desist all publication, exhibition, distribution, sale and other exploitation" of the movie and related materials. By letter dated October 13, 1999, Burroughs' attorney Roger L. Zissu ("Zissu") wrote the Hogarth Estate and asserted that "[Burroughs] is the sole copyright owner and has always had control of the Tarzan character; [Burroughs] licensed those rights to Disney for its movie."

On October 14, 1999, Zissu filed a "correction" to the 1973 registration for "Tarzan of the Apes." ("Form CA"). The Form CA asserts that the 1973 registration incorrectly listed Edgar Rice Burroughs and Burne Hogarth as authors of the Book, and instead, asserts that Burroughs should have been listed as the author. On October 14, 1999, Zissu also filed a "correction" to the 1976 registration for "Jungle Tales of Tarzan." ("Form CA Jungle"). The Form CA Jungle asserts that the 1976 registration incorrectly listed Edgar Rice Burroughs and Hogarth as authors of the Book, and instead, asserts that Burroughs should have been listed as the author. The Form CA and Form CA Jungle each explain that the "correction" was made because: "Work was one made for hire."

Plaintiffs seek a declaration that the Books are not "works made for hire" and that they are the sole owners and copyright proprietors of the copyright renewal term in the Books. Defendant moves for summary judgment on the basis that Hogarth's

works were "works made for hire" as a matter of law.

DISCUSSION

Copyright Claims

Summary judgment may not be granted unless the submissions of the parties, taken together, "show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Rule 56(c), Fed. R. Civ. P. The substantive law governing the case will identify those issues that are material, and "only disputes over facts that might affect the outcome of the suit under the governing law will properly preclude the entry of summary judgment." Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248 (1987). The moving party bears the burden of demonstrating the absence of a material factual question, and in making this determination the Court must view all facts in the light most favorable to the nonmoving party. Azrielli v. Cohen Law Offices, 21 F.3d 512, 517 (2d Cir. 1994). When the moving party has asserted facts showing that the nonmovant's claims cannot be sustained, the opposing party must "set forth specific facts showing that there is a genuine issue for trial," and cannot rest on the "mere allegations or denials" of his pleadings. Rule 56(e), Fed. R. Civ. P. See also Goenaga v. March of Dimes Birth Defects Found., 51 F.3d 14, 18 (2d Cir. 1995). In deciding whether to grant summary judgment, this Court must, therefore, determine (1) whether a genuine factual dispute exists based on the evidence in the record and (2) whether the facts in dispute are material based on the substantive law at

issue.

As discussed above, the central questions in this case are whether the 1972 and 1976 Books are "works made for hire," and whether the plaintiffs own the renewal rights to the Books. The parties agree that, because the two Books were created before January 1, 1978, when the 1976 Copyright Act became effective, the 1909 Copyright Act, 17 U.S.C. § 24 et seq. (1976) (repealed) ("1909 Act"), governs the question of whether the Books were "works made for hire." "[T]he work-for-hire issue determines the author of the works, and therefore who can later transfer the copyright." Playboy Enterprises, Inc. v. Dumas, 53 F.3d 549, 553 (2d Cir. 1995). Of particular importance to this case, the work for hire issue also determines who owns the copyright renewal rights for the Books. Stewart v. Abend, 495 U.S. 207, 219-20 (1990).

Under the 1909 Act, works for hire were only mentioned in the definition section, which stated that "[i]n the interpretation and construction of this title . . . the word 'author' shall include an employer in the case of works made for hire." 17 U.S.C. § 26. "Under this definition, an 'employer' who hires another to create a copyrightable work is the 'author' of the work for purposes of the statute, absent an agreement to the contrary." Playboy, 53 F.3d at 554. The statute did not define the terms "employer" or "works made for hire." Id. In Brattleboro Publ'g Co. v. Winmill Publ'g Corp., 369 F.2d 565, 567-68 (2d Cir. 1966), the Second Circuit held that an

independent contractor is an "employee" and a hiring party an "employer" for purposes of the 1909 Act if the work is made at the hiring party's "instance and expense."

The "instance and expense" test is met when the "'motivating factor in producing the work was the employer who induced the creation.'" Playboy, 53 F.3d at 554 (citation omitted). Further, "'an essential element of the employer-employee relationship, [is] the right of the employer to direct and supervise the manner in which the writer performs his work.'" Id. (citation omitted). "Once it is established that a work is made for hire, the hiring party is presumed to be the author of the work." Id. This presumption can be overcome by evidence of a contrary written or oral agreement. Id.

Here, defendant argues that Burroughs is the presumed "author" of the Books because the "instance and expense" test has been met, thereby proving that the Books were "works made for hire" by Hogarth for Burroughs. Material issues of fact exist, however, regarding whether these Books were made at the "instance and expense" of Burroughs.

As an initial matter, the copyright registrations listed Hogarth as the "author" of both Books. The presumption created by these registrations finds support in the Books themselves. For example, the cover of each Book states that the Book is "By Burne Hogarth." A fact finder could determine that the Books are primarily vehicles to present Hogarth's artistic skill in the context of his work on the Tarzan story. In the 1972 "Tarzan of

the Apes," the 24-page introduction is devoted to Hogarth and his artistic achievements. Similarly, in the 1976 "Jungle Tales of Tarzan," the 35-page introduction is devoted entirely to Hogarth's life and artwork.

In addition, plaintiffs have introduced evidence that Hogarth was the "motivating factor" for the creation of the Books, thus raising a material issue of fact as to whether the Books were created at Burroughs' "instance." Plaintiffs have submitted affidavits from the attorney who represented Hogarth during his negotiations with Burroughs over the 1972 and 1976 Books and from the Editorial Director from Watson-Guptill who worked with Hogarth on the Books, both of whom state that it was Hogarth's idea to create the Books.

Moreover, the 1970 Agreement provided that Hogarth would be the "final judge of the artwork" and allowed Hogarth to maintain physical ownership of at least half of the original artwork for the Books. These facts raise a material issue as to whether Burroughs had the right to "'direct and supervise'" Hogarth's work. Finally, with respect to the "expense" factor, plaintiffs have shown that the 1970 Agreement between Hogarth and Burroughs provided Hogarth with a 50% royalty share in net revenues, a factor that weighs against finding a work for hire relationship. Id. at 555.

From this and other evidence, a reasonable jury could conclude that Hogarth was indeed an author of the two Books and that the Books were not "works made for hire." Accordingly,

summary judgment on the copyright claims is denied.¹

Disqualification of Defendant's Counsel

Plaintiffs move to disqualify Zissu, his partner Lisa Pearson ("Pearson"), and their law firm, Fross Zelnick Lehrman & Zissu, P.C. ("Fross Zelnick"), as defendant's counsel in this case because (1) Zissu or Pearson should be called to testify as a witness in this case; (2) Fross Zelnick's representation of Burroughs is a conflict of interest; and (3) Fross Zelnick's representation of Burroughs creates an "appearance of impropriety." Motions to disqualify are subject to strict scrutiny because of their potential to be used for tactical purposes. Lamborn v. Dittmner, 873 F.2d 522, 531 (2d Cir. 1989).

1. Lawyers as Witnesses

Fross Zelnick has had a longstanding relationship with Burroughs, and it has generally provided intellectual property advice to Burroughs. There is no evidence, however, that Fross Zelnick had any role in connection with the Books in the 1970s. While Zissu represented Burroughs in the late 1970s, there is no allegation that Zissu did any work in connection with the two Books at that time. Pearson did not join Fross Zelnick until 1991, and does not have any personal knowledge regarding the Books.

¹ The bulk of the parties' arguments relate to the federal copyright issues. The defendant asked in summary form that, should the federal claims be dismissed, the state law claims should also be dismissed. Since summary judgment is not appropriate on the federal claims, the Court declines to discuss the limited arguments made on the state law claims.

Plaintiffs argue that Zissu could testify about why Burroughs did not assert that the Books were "works made for hire" until 1999, and point to the fact that Zissu sent Burroughs' officer Marion Burroughs a blank Form CA in 1979, to correct the 1976 copyright registration.² There is no evidence, however, that Zissu completed the 1979 Form CA or that he advised Marion Burroughs on the substance of any correction.

As to the Forms CA that Zissu filed in 1999, on behalf of Burroughs, which removed Hogarth as the author and asserted that the two Books were "works made for hire," Fross Zelnick concedes that these corrections have no evidentiary weight. Only the original 1973 and 1976 registrations, not subsequent corrections, are prima facie evidence of the facts stated therein. See 17 U.S.C. §§ 408(d), 410(c); 37 C.F.R. § 201.5(d)(2). In any event, these corrections were not made based on any personal knowledge Fross Zelnick had of the underlying facts. At most, they reflect an attorney's legal conclusion regarding his understanding of historical facts and would, as such, be inadmissible opinion evidence.

Plaintiffs have not shown that either Pearson or Zissu are a witness to any events of moment in this case or that their testimony would be necessary or prejudicial to Burroughs. Even with respect to the 1994 Burroughs license to Disney, Zissu

² As discussed above, Marion Burroughs corrected the copyright registration by adding the name of Edgar Rice Burroughs as one of the authors, in addition to Hogarth.

provided only general advice to Burroughs regarding "continuing copyright protection outside the United States (under the Berne Convention) for the Tarzan literary works for which U.S. copyright protection had expired." This issue is not presented in the instant case. Disqualification is thus not warranted under the Code of Professional Responsibility DR 5-102 (c) or (d).³

2. Fross Zelnick's Prior Representation of Plaintiffs

Plaintiffs also assert that Fross Zelnick's representation of Burroughs creates an "appearance of impropriety" because Pearson and Fross Zelnick represented the Hogarth Estate from 1998 through 1999. The prior representation of the Hogarth Estate was limited, unrelated to this litigation, and in any event, only undertaken after the Hogarth Estate signed a "waiver and consent" letter acknowledging Fross Zelnick's longstanding representation of Burroughs.

During 1998, the Hogarth Estate sought to retain Fross Zelnick in connection with "general copyright advice." Fross Zelnick partner Pearson disclosed that Burroughs was a longstanding client of the law firm and that the firm would only represent the Hogarth Estate if it executed a waiver of any claim

³ For the same reasons, the Court does not find that Fross Zelnick's representation of Burroughs creates a conflict of interest between the firm and their client. Plaintiffs have not shown that "the exercise of professional judgment on behalf of the client will be or reasonably may be affected by the lawyer's own . . . personal interests." N.Y. Comp. Codes R. & Regs. tit. 22, § 1200.20 (McKinney 1999).

of conflict. By letter dated September 16, 1998, Pearson wrote Richard Hogarth, executor of the Hogarth Estate:

As I mentioned to you during our initial meeting, this firm has represented Edgar Rice Burroughs, Inc., its shareholders and the Burroughs family ("Burroughs") on a broad range of matters including counseling and litigation, for many years. I would appreciate it if you could countersign this letter below to confirm that the Estate of Burne Hogarth consents to our continuing representation of Burroughs as we have in the past and is not seeking to retain us in any matter where our services would be adverse to the interests of Burroughs.

(emphasis supplied). Richard Hogarth countersigned the letter. Based upon a similar letter from Pearson, Burroughs also consented to Fross Zelnick's representation of the Hogarth Estate.

Fross Zelnick's limited representation of the Hogarth Estate in 1998 and 1999, was in connection with a video tape entitled "Draw the Human Head," produced by Howard Beckerman, which was based on a 1965 book by Hogarth entitled "Drawing the Human Head." The Hogarth Estate wanted either to obtain royalties for the sale of the video tape or stop further distribution of it. During the period of representation, the Hogarth Estate never consulted Fross Zelnick on anything related to Tarzan or Burroughs. Pearson provided the Hogarth Estate with a letter dated October 29, 1998, which explained the nature of copyright renewal procedures applicable to works created under the 1909 Copyright Act and gave general advice about renewing copyrights owned by Hogarth. Fross Zelnick was not asked to and did not advise the Hogarth Estate about filing copyright renewals for

specific works. Fross Zelnick completed its substantive work for the Hogarth Estate in June 1999, and the firm's last contact with the Estate was on August 26, 1999, when the Hogarth Estate and Howard Beckerman executed a settlement agreement with respect to the "Draw the Human Head" video tape.

Plaintiffs argue that Fross Zelnick's representation of the Hogarth Estate continued until October 1999, and that it was therefore improper for Zissu to write the Estate -- a current client -- a letter in response to its September 8, 1999 "cease and desist" letter to Disney.

The Hogarth Estate knew of the firm's longstanding and continued representation of Burroughs when it asked the firm to represent it in 1998, on a matter entirely unrelated to Burroughs, Tarzan, or the Books. The Hogarth Estate explicitly consented to the firm's continued representation of Burroughs. The limited matter for which the Hogarth Estate retained the firm was for all practical purposes over when the Hogarth Estate -- using a different law firm -- threatened Disney with suit. Under these circumstances, there is no "appearance of impropriety" created by Fross Zelnick's representation of Burroughs in this lawsuit.

CONCLUSION

For the reasons stated, defendant's motion for summary judgment is denied. Plaintiffs' motion to disqualify defendant's counsel is denied. The parties shall submit within two weeks of today a proposed schedule for the conduct of this litigation.

SO ORDERED:

Dated: New York, New York
May 15, 2001

DENISE COTE
United States District Judge